UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

GENEVER HOLDINGS, LLC AND MILES KWOK, Plaintiffs, -against- THE SHERRY NETHERLAND, INC. MICHAEL J. ULLMAN, ROBERT WIENER, GUSTAV RESTORATION LLC, XYZ CORPORATIONS 1-10, AND JOHN AND JANE DOES 1-10, Defendants.	Index No: 16-CIV-06246 **ANSWER**

Defendants Sherry-Netherland, Inc. (the "Corporation", or the "Coop"), Michael J. Ullman and Robert Wiener (collectively, the "Coop Defendants") by their attorneys, Robert I. Cantor, PLLC, answer the Verified Complaint dated August 5, 2016 (the "Complaint") as follows:

1. The Coop Defendants deny the allegations set forth in paragraph 1 of the Complaint and aver that, with one exception, the Complaint pleads a standard landlord tenant fact pattern properly heard in New York State courts, concerning allegations that the Coop's staff did not accurately discern the causes of a leak into the apartments of plaintiffs and others and that its agents did not initially remediate the conditions, thus allegedly causing damage to plaintiff's apartment. For purposes of this Answer and unless the context otherwise requires, the Coop Defendants' use of the singular "Plaintiff" applies equally to Miles Kwok (also known as Miles Guo, Kwok Ho Wan, Guo Wengui, Guo Haoyun and possibly other names) ("Mr. Kwok")

and Genever Holdings, LLC ("Genever").[1]

2. The Coop Defendants deny the allegations set forth in paragraph 2 of the Complaint except they admit that the Corporation holds itself out to be the operator of a first class cooperative residential hotel (the "Sherry-Netherland," the "Hotel" or the "Building"). The Coop Defendants further aver that the Proprietary Lease, to which the Corporation and Co-Plaintiff Genever Holdings LLC ("Genever") are parties and of which Co-Plaintiff Miles Kwok is a guarantor (and, as alleged by Plaintiffs (see Complaint at ¶ 22), Mr. Kwok is the sole member of Genever), permits representatives of the Corporation to enter the apartment under the circumstances relevant here without notice.

3. The Coop Defendants deny the allegations set forth in paragraph 3 of the Complaint except that they admit that the entry into Plaintiff's apartment was in an attempt to prevent and ascertain the cause of a leak resulting from a rainstorm.

4. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 4 of the Complaint concerning whether Mr. Kwok and his family conducted any investigation of the "matter" therein alleged or how any such investigation could have led to an inquiry or finding regarding escrowed maintenance fees. The Coop Defendants deny that the Corporation has any "customary" deposit of maintenance and further deny that they took any action based upon the fact that Mr. Kwok is a Chinese citizen. The Coop Defendants further aver that:

a. The Coop required plaintiff to deposit five years' worth of maintenance fees at the time of closing as security against Plaintiff's possible failure to fulfill its obligations under the Proprietary Lease.

[1] The one exception to the landlord-tenant allegations consists of three identical racial discrimination claims, which, as described in detail, infra, falsely allege that the Coop required plaintiff to post a large security deposit as a condition of approving his purchase application solely because plaintiff is a Chinese citizen.

b. The size of the required deposit is unrelated to the fact that Plaintiff is the only Chinese citizen who is a shareholder, or the principal of a shareholder, and is actually based on various unrelated facts and circumstances. The mere fact that the required deposit is higher than any deposit required of other shareholders of the Corporation and that Mr. Kwok is a Chinese citizen does not establish that the Coop's requirement was discriminatory in violation of City, State and Federal anti-discrimination laws.

c. Not only are these allegations of discrimination legally meritless, they are also pleaded upon a blatantly untrue factual premise, that "*[w]ithout explanation*, Plaintiffs were required to pay five years' worth [of payments]." See Compl. ¶ 40 (emphasis added).

d. To the contrary, the amount of the deposit was fully negotiated between the Coop's board president, Michael J. Horvitz, and Plaintiff's attorney, Jerry Shulman, of the Washington D.C. firm, Williams & Connelly. Horvitz explained in a March 2nd email to Shulman that, because Plaintiff's financial assets were all located in China and the documentation provided was unverified, he had "concern about the financial information that has been presented". Horvitz's email to Shulman continued:

> In this case, you have submitted financial information that you identified as having been "audited," but there is no accountant's certification, no statement of the accounting principles used in the preparation of the financials, and no detailed description of the entity to which the financials apply. The "balance sheet" shows assets only, but not liabilities, and there

is no way for us to verify that there are no offsetting liabilities or that [Plaintiff] has immediate access to these assets should he need them. It is my hope that you will find some way to give us comfort on these points. It is likely that we will require several years of maintenance payment to be deposited in a U.S. account to stand as security for payment and to be replenished promptly in the event that it is drawn down to any extent. This would not be a substitute for independent verification of [plaintiff's] resources, however.

e. On the next day, Shulman's email to Horvitz stated that, "please be assured that [Plaintiff] understands that he will be required both to sign a personal guaranty as to the periodic maintenance fees related to the apartment and the maid's room he seeks to acquire and to escrow sufficient funds in the regard to satisfy your concerns."

f. Horvitz then informed Shulman that the board would require a security deposit in the amount of five years' of maintenance. Shulman responded that "I am pleased to inform you that [Plaintiff] is willing to fund at closing an escrow account in an amount equal to five times the annual maintenance charges on his apartment in order to allay all remaining concerns about his financial capacity to cover such costs on a monthly basis."

g. Notwithstanding the foregoing, the board's concerns regarding plaintiff's finances were heightened because Plaintiff's representatives informed the board that it had only three days, until March 6th, to review and approve Plaintiff's application, or else Plaintiff would terminate his purchase contract.

To accommodate plaintiff the Coop's board met on the evening of March 3rd at which Horvitz explained the proposed transaction, including the fact that plaintiff had agreed to deposit with the Coop an amount equal to five years of maintenance as security for timely payment of his maintenance and all other financial obligations to the Coop. After extensive discussion, the board determined that the financial information provided was not sufficient for the board to consider the application but that it was favorably disposed to the transaction upon its receipt and review of additional financial information.

h. On March 4th, Shulman provided additional documentation, and expressed that "[w]e hope that these documents together with [Plaintiff's] willingness to fund a five year escrow fund will allay any remaining concerns for the Board." The board subsequently passed a resolution approving Plaintiff's application provided that a security deposit equal to five years' current maintenance be posted.

i. Pursuant to the terms of a Security Deposit Agreement dated March 6, 2016, signed by Plaintiff's "Authorized Person", plaintiff deposited a check in the required amount "[i]n order to induce the [Coop] to approve the transfer" of the shares allocated to the apartments which he was purchasing.

5. The Coop Defendants deny the allegations set forth in paragraph 5 of the Complaint.

6. The Coop Defendants deny the allegations set forth in paragraph 6 of the Complaint.

7. The Coop Defendants deny the allegations set forth paragraph in 7 of the

Complaint.

8. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 8 of the Complaint.

9. The Coop Defendants deny the allegations set forth paragraph 9 of the Complaint and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content.

10. The Coop Defendants deny the allegations set forth in paragraph 10 of the Complaint.

11. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 11 of the Complaint and aver that, under the terms of the Proprietary Lease, the Corporation was permitted to enter Plaintiff's apartment without notice and without the presence of Plaintiff or any of their representatives.

12. The Coop Defendants deny the allegations set forth in paragraph 12 of the Complaint.

13. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 13 of the Complaint.

14. The Coop Defendants deny the allegations set forth in paragraph 14 of the Complaint.

15. The Coop Defendants deny the allegations set forth in paragraph 15 of the Complaint.

16. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 16 of the Complaint, respectfully refer all questions of law to the court and aver that neither the Proprietary Lease nor any other contract,

document or arrangement with Mr. Kwok permits the payment of maintenance fees or other charges to any person other than the Corporation.

17. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 17 of the Complaint and respectfully refer all questions of law to the court.

18. The Coop Defendants deny the allegations set forth in paragraph 18 of the Complaint and respectfully refer all questions of law to the court.

19. The Coop Defendants deny the allegations set forth in paragraph 19 of the Complaint and respectfully refer all questions of law to the court.

20. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 20 of the Complaint.

21. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 21 of the Complaint.

22. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 22 of the Complaint.

23. The Coop Defendants admit the allegations set forth in paragraph 23 of the Complaint.

24. The Coop Defendants admit that Michael J. Ullman is the Executive Vice President and Chief Operating Officer of the Corporation but deny the remainder of the allegations set forth in paragraph 24 of the Complaint, specifically that Mr. Ullman maintains a residence at 781 Fifth Avenue, New York, New York.

25. The Coop Defendants admit that Robert Weiner is the Director of Security at the Building but deny the remainder of the allegations set forth in paragraph 25 of the Complaint,

specifically that Mr. Weiner maintains a residence at 781 Fifth Avenue, New York, New York.

26. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 26 of the Complaint.

27. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 27 of the Complaint.

28. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 28 of the Complaint.

29. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 29 of the Complaint and refer all questions of law to the court.

30. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 30 of the Complaint and refer all questions of law to the court.

31. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 31 of the Complaint and refer all questions of law to the court.

32. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 32 of the Complaint.

33. The Coop Defendants admit the allegations set forth in paragraph 33 of the Complaint.

34. The Coop Defendants admit the allegations set forth in paragraph 34 of the Complaint and respectfully refer the court to the document cited therein for its complete terms, conditions, context and content.

35. The Coop Defendants admit the allegations set forth in paragraph 35 of the Complaint and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content.

36. The Coop Defendants deny the allegations set forth in paragraph 36 of the Complaint and respectfully refer the court to the document cited therein for its complete terms, conditions, context and content.

37. The Coop Defendants admit the allegations set forth in paragraph 37 of the Complaint and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content.

38. The Coop Defendants deny the allegations set forth in paragraph 38 of the Complaint.

39. The Coop Defendants deny the allegations set forth in paragraph 39 of the Complaint and aver that:

a. Plaintiffs and their representatives fully understood that the deposit was not standard or "customary" and was offered by the Plaintiffs as an inducement to the Corporation's Board of Directors (the Board") to approve the Plaintiff's purchase transaction without having received and reviewed fully documented information about (i) the size, source and location of Mr. Kwok's financial resources, (ii) the character of Mr. Kwok's business associates, including his relationships with high government officials in China, and (iii) whether the government of the People's Republic of China might have an interest in Mr. Kwok in connection with the government's anti-corruption activities.

b. The Board's willingness to approve Plaintiff's purchase and permit Mr. Kwok to reside in the Building shows the Board's willingness to make accommodations to Mr. Kwok that have not been made to other prospective purchasers, and demonstrate the absence of any discriminatory animus relating to Mr. Kwok's race or national origin.

40. The Coop Defendants deny the allegations set forth in paragraph 40 of the Complaint and aver, as described in paragraphs 4 and 39 of this Verified Answer, that Plaintiffs and their representatives received a full and complete explanation of the reasons for the required deposit.

41. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 41 of the Complaint, except admit that, upon information and belief, Mr. Kwok, through his membership in Genever Holdings, LLC, is the only Chinese National shareholder in The Sherry-Netherland Inc.

42. The Coop Defendants deny the allegations set forth in paragraph 42 of the Complaint and further aver that none of the reasons for the Coop's requiring the posting of the subject deposit represents discrimination against Mr. Kwok based on his race or national origin and that, as described in paragraphs 4 and 39 of this Verified Answer, the circumstances leading to the requirement of a deposit were unique to Mr. Kwok.

43. The Coop Defendants deny the allegations set forth in paragraph 43 of the Complaint, and aver that there were no representations, terms or conditions regarding Plaintiffs' residency made outside of the four corners of the Proprietary Lease.

44. The Coop Defendants admit the allegations set forth in paragraph 44 of the Complaint and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content.

45. The Coop Defendants admit the allegations set forth in paragraph 45 of the Complaint and aver that the Proprietary Lease places responsibility on the current shareholder for work done by prior shareholders that does not conform to the Corporation's requirements.

46. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 46 of the Complaint and aver that nonconforming conditions must be corrected by a current shareholder even if the nonconforming condition was created by a former shareholder.

47. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 47 of the Complaint.

48. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 48 of the Complaint.

49. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 49 of the Complaint.

50. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 50 of the Complaint, except they aver that the Coop, on notice to Plaintiff, performed drain maintenance work in November 2015 and also performed snow removal work at various times.

51. The Coop Defendants admit the allegations set forth in paragraph 51 of the Complaint.

52. The Coop Defendants deny the allegations set forth in paragraph 52 of the Complaint and aver that the Corporation has a right under the Proprietary Lease to enter into any apartment in the Building in order to determine the source of a leak and to attempt to repair the same without giving notice to the shareholder.

53. The Coop Defendants deny the allegations set forth in paragraph 53 of the Complaint and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content.

54. The Coop Defendants deny the allegations set forth in paragraph 54 of the Complaint and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content.

55. The Coop Defendants deny the allegations set forth in paragraph 55 of the Complaint.

56. The Coop Defendants deny the allegations set forth in paragraph 56 of the Complaint and respectfully refer the court to the document cited therein for its complete terms, conditions, context and content.

57. The Coop Defendants admit the allegations set forth in paragraph 57 of the Complaint.

58. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 58 of the Complaint but admit that Management directed the removal of a damaged section of pipe.

59. The Coop Defendants deny the allegations set forth in paragraph 59 of the Complaint.

60. The Coop Defendants deny the allegations set forth in paragraph 60 of the Complaint.

61. The Coop Defendants deny the allegations set forth in paragraph 61 of the Complaint

62. The Coop Defendants deny the allegations set forth in paragraph 62 of the

Complaint.

63. The Coop Defendants deny the allegations set forth in paragraph 63 of the Complaint.

64. The Coop Defendants deny the allegations set forth in paragraph 64 of the Complaint.

65. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 65 of the Complaint.

66. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 66 of the Complaint.

67. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 67 of the Complaint.

68. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 68 of the Complaint.

69. The Coop Defendants deny the allegations set forth in paragraph 69 of the Complaint, except that they deny knowledge or information sufficient to form a belief as to the truth of the allegations regarding the Kwok family's reputation and ability to mobilize experts.

70. The Coop Defendants deny the allegations set forth in paragraph 70 of the Complaint.

71. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 71 of the Complaint.

72. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 72 of the Complaint.

73. The Coop Defendants deny knowledge or information sufficient to form a belief

as to the truth of the allegations set forth in paragraph 73 of the Complaint.

74. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 74 of the Complaint.

75. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 75 of the Complaint.

76. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 76 of the Complaint.

77. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 77 of the Complaint and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content.

78. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 78 of the Complaint and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content.

79. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 79 of the Complaint and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content.

80. The Coop Defendants deny the allegations set forth in paragraph 80 of the Complaint and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content.

81. The Coop Defendants deny the allegations set forth in paragraph 81 of the Complaint and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content. The Coop Defendants aver as follows:

a. In an emergency situation during a rainstorm in the middle of the night, when water is pouring into an apartment located immediately below a terrace, it is reasonable to examine the terrace to determine whether the terrace is the cause of, or a contributing factor with respect to, such leak.

b. If, in the course of such examination, it is discovered that a nonconforming situation prevents the terrace from draining properly and causes debris to accumulate around the terrace drain, the Corporation is permitted by the Proprietary Lease to require the nonconforming condition to be remedied at the expense of the shareholder regardless of whether the nonconforming condition is the proximate cause of the leak.

82. The Coop Defendants deny the allegations set forth in paragraph 82 of the Complaint and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content.

83. The Coop Defendants deny the allegations set forth in paragraph 83 of the Complaint and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content.

84. The Coop Defendants deny the allegations set forth in paragraph 84 of the Complaint and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content.

85. The Coop Defendants deny the allegations set forth in paragraph 85 of the Complaint.

86. The Coop Defendants deny the allegations set forth in paragraph 86 of the Complaint.

87. The Coop Defendants deny the allegations set forth in paragraph 87 of the

Complaint and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content.

88. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 88 of the Complaint.

89. The Coop Defendants deny the allegations set forth in paragraph 89 of the Complaint except that they admit that representatives or agents of the parties met on or about June 28, 2016. The Coop Defendants aver that the Corporation had no obligation under the Proprietary Lease to notify the Plaintiffs regarding the Corporation's entering Plaintiffs' apartment and that any apology for failure to give notice should not be construed as an admission of wrongdoing but rather should be seen as an expression of courtesy.

90. The Coop Defendants deny the allegations set forth in paragraph 90 of the Complaint except deny knowledge or information sufficient to form a belief as to the truth of the allegations regarding Plaintiffs' investigations. The Coop Defendants aver, however, that the Proprietary Lease permits the Corporation to require the correction of nonconforming conditions at the shareholder's expense regardless of whether the terraces were the cause of a particular leak.

91. The Coop Defendants deny the allegations set forth in paragraph 91 of the Complaint.

92. The Coop Defendants deny the allegations set forth in paragraph 92 of the Complaint, except that they deny knowledge or information regarding the truth of the allegations concerning information which Plaintiff received. The Coop Defendants further aver that the requirement that Plaintiff deposit five years' worth of maintenance fees with the Corporation was agreed to between the Corporation and the Plaintiff for valid and nondiscriminatory reasons as

described in paragraphs 4, 39 and 42 of this Verified Answer.

93. The Coop Defendants deny the allegations set forth in paragraph 93 of the Complaint.

94. The Coop Defendants deny the allegations set forth in paragraph 94 of the Complaint, except deny knowledge or information sufficient to form a belief as to the truth of the allegations regarding the Kwok family's safety concerns.

95. The Coop Defendants deny the allegations set forth in paragraph 95 of the Complaint.

96. The Coop Defendants deny the allegations set forth in paragraph 96 of the Complaint.

97. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 97 of the Complaint.

98. The Coop Defendants deny the allegations set forth in paragraph 98 of the Complaint except that they admit that a letter addressed to Michael J. Horvitz, the President of the Board was delivered to Mr. Horvitz's personal apartment, along with copies of such letter for each member of the Board and for Mr. Ullman. The Coop Defendants respectfully refer the court to the document cited therein for its complete terms, conditions, context and content and aver that delivery to the personal apartment of Mr. Horvitz does not constitute delivery to management or to other Board members, especially since Plaintiffs knew full well that Mr. Horvitz is in residence at his apartment infrequently.

99. The Coop Defendants deny the allegations set forth in paragraph 99 of the Complaint and respectfully refer the court to the document cited therein for its complete terms, conditions, context and content, and further aver that this document was also improperly

delivered by Plaintiffs to Mr. Horvitz's apartment.

100. The Coop Defendants deny the allegations set forth in paragraph 100 of the Complaint and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content.

101. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 101 of the Complaint.

AS AND FOR A RESPONSE TO PLAINTIFFS' FIRST CAUSE OF ACTION

102. With respect to paragraph 102 of the Complaint, the Coop Defendants repeat and reallege the answers set forth above.

103. The Coop Defendants deny the allegations set forth in paragraph 103 of the Complaint, except admit that the Proprietary Lease and Maid's Lease were entered into on or about March 6, 2015 and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content.

104. The Coop Defendants deny the allegations set forth in paragraph 104 of the Complaint.

105. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 105 of the Complaint and respectfully refer the court to the document cited therein for its complete terms, conditions, context and content.

106. The Coop Defendants deny the allegations set forth in paragraph 106 of the Complaint.

107. The Coop Defendants admit the allegations set forth in paragraph 107 of the

Complaint and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content.

108. The Coop Defendants admit the allegations set forth in paragraph 108 of the Complaint and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content.

109. The Coop Defendants admit the allegations set forth in paragraph 109 of the Complaint and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content.

110. The Coop Defendants admit the allegations set forth in paragraph 110 of the Complaint.

111. The Coop Defendants deny the allegations set forth in paragraph 111 of the Complaint and aver that under the Proprietary Lease Plaintiff is responsible for nonconforming alterations made by prior owners.

112. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 112 of the Complaint.

113. The Coop Defendants deny the allegations set forth in paragraph 113 of the Complaint.

114. The Coop Defendants deny the allegations set forth in paragraph 114 of the Complaint.

115. The Coop Defendants deny the allegations set forth in paragraph 115 of the Complaint.

AS AND FOR A RESPONSE TO PLAINTIFFS' SECOND CAUSE OF ACTION

116. With respect to paragraph 116 of the Complaint, the Coop Defendants repeat and

reallege the answers set forth above.

117. The Coop Defendants admit the allegations set forth in paragraph 117 of the Complaint and respectfully refer the court to the documents cited therein for their complete terms, conditions, context and content. The Coop Defendants aver that the Proprietary Leases also contain provisions that identify Plaintiff's responsibilities with respect to the Building's maintenance and repairs within the Plaintiff's province.

118. The Coop Defendants deny the allegations set forth in paragraph 118 of the Complaint.

119. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 119 of the Complaint.

120. The Coop Defendants deny the allegations set forth in paragraph 120 of the Complaint.

121. The Coop Defendants deny the allegations set forth in paragraph 121 of the Complaint.

122. The Coop Defendants deny the allegations set forth in paragraph 121 of the Complaint.

AS AND FOR A RESPONSE TO PLAINTIFFS' THIRD CAUSE OF ACTION

123. With respect to paragraph 123 of the Complaint, the Coop Defendants repeat and reallege the answers set forth above.

124. The Coop Defendants deny the allegations set forth in paragraph 124 of the Complaint and aver that Plaintiff's agreement to deposit five years' worth of maintenance was a negotiated agreement and served as consideration for the Board's approval of Plaintiff's purchase transaction. The Coop Defendants further aver that the requirement that Plaintiff

deposit five years' worth of maintenance fees with the Corporation was agreed to between the Corporation and the Plaintiff for valid and nondiscriminatory reasons as described in paragraphs 4, 39 and 42 of this Verified Answer.

125. The Coop Defendants deny the allegations set forth in paragraph 125 of the Complaint.

126. The Coop Defendants deny the allegations set forth in paragraph 126 of the Complaint.

127. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 127 of the Complaint.

128. The Coop Defendants deny the allegations set forth in paragraph 128 of the Complaint.

129. The Coop Defendants deny the allegations set forth in paragraph 129 of the Complaint.

AS AND FOR A RESPONSE TO PLAINTIFFS' FOURTH CAUSE OF ACTION

130. With respect to paragraph 130 of the Complaint, the Coop Defendants repeat and reallege the answers set forth above.

131. The Coop Defendants deny the allegations set forth in paragraph 131 of the Complaint.

132. The Coop Defendants deny the allegations set forth in paragraph 132 of the Complaint.

133. The Coop Defendants deny the allegations set forth in paragraph 133 of the Complaint.

134. The Coop Defendants deny knowledge or information sufficient to form a belief

as to the truth of the allegations set forth in paragraph 134 of the Complaint.

135. The Coop Defendants deny the allegations set forth in paragraph 135 of the Complaint.

136. The Coop Defendants deny the allegations set forth in paragraph 136 of the Complaint.

AS AND FOR A RESPONSE TO PLAINTIFFS' FIFTH CAUSE OF ACTION

137. With respect to paragraph 137 of the Complaint, the Coop Defendants repeat and reallege the answers set forth above.

138. The Coop Defendants deny the allegations set forth in paragraph 138 of the Complaint.

139. The Coop Defendants deny the allegations set forth in paragraph 139 of the Complaint.

140. The Coop Defendants deny the allegations set forth in paragraph 140 of the Complaint.

141. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 141 of the Complaint.

142. The Coop Defendants deny the allegations set forth in paragraph 142 of the Complaint.

143. The Coop Defendants deny the allegations set forth in paragraph 143 of the Complaint.

AS AND FOR A RESPONSE TO PLAINTIFFS' SIXTH CAUSE OF ACTION

144. With respect to paragraph 144 of the Complaint, the Coop Defendants repeat and reallege the answers set forth above.

145. The Coop Defendants deny the allegations set forth in paragraph 145 of the Complaint.

146. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 146 of the Complaint.

147. The Coop Defendants deny the allegations set forth in paragraph 147 of the Complaint.

148. The Coop Defendants deny the allegations set forth in paragraph 148 of the Complaint.

149. The Coop Defendants deny the allegations set forth in paragraph 149 of the Complaint.

150. The Coop Defendants deny the allegations set forth in paragraph 150 of the Complaint.

AS AND FOR A RESPONSE TO PLAINTIFFS' SEVENTH CAUSE OF ACTION

151. With respect to paragraph 151 of the Complaint, the Coop Defendants repeat and reallege the answers set forth above.

152. The Coop Defendants deny the allegations set forth on paragraph 152 of the Complaint.

153. Paragraph 153 of the Complaint is not alleged against the Coop Defendants; to the extent a response is necessary, the Coop Defendants admit the allegations set forth therein.

154. Paragraph 154 of the Complaint is not alleged against the Coop Defendants; to the extent a response is necessary, the Coop Defendants admit the allegations set forth therein.

155. Paragraph 155 of the Complaint is not alleged against the Coop Defendants; to the extent a response is necessary, the Coop Defendants deny knowledge or information sufficient to

form a belief as to the truth of the allegations set forth therein.

156. Paragraph 156 of the Complaint is not alleged against the Coop Defendants; to the extent a response is necessary, the Coop Defendants deny the allegations set forth therein.

157. Paragraph 157 of the Complaint is not alleged against the Coop Defendants; to the extent a response is necessary, the Coop Defendants deny the allegations set forth therein.

158. Paragraph 158 of the Complaint is not alleged against the Coop Defendants; to the extent a response is necessary, the Coop Defendants deny the allegations set forth therein.

159. Paragraph 159 of the Complaint is not alleged against the Coop Defendants; to the extent a response is necessary, the Coop Defendants deny the allegations set forth therein.

AS AND FOR A RESPONSE TO PLAINTIFFS' EIGHTH CAUSE OF ACTION

160. With respect to paragraph 160 of the Complaint, the Coop Defendants repeat and reallege the answers set forth above.

161. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 161 of the Complaint.

162. The Coop Defendants deny the allegations set forth in paragraph 162 of the Complaint.

163. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 163 of the Complaint.

164. The Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 164 of the Complaint and aver that Plaintiff has never presented to the Corporation any evidence of any missing property or a list of any allegedly missing property despite multiple requests therefor from the Corporation.

165. The Coop Defendants deny knowledge or information sufficient to form a belief

as to the truth of the allegations set forth in paragraph 165 of the Complaint.

166. The Coop Defendants deny the allegations set forth in paragraph 166 of the Complaint.

AS AND FOR A RESPONSE TO PLAINTIFFS' NINTH CAUSE OF ACTION

167. With respect to paragraph 167 of the Complaint, the Coop Defendants repeat and reallege the answers set forth above.

168. Paragraph 168 of the Complaint does not require a response; to the extent a response is required, the Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth therein and respectfully refer all questions of law to the court.

169. Paragraph 169 of the Complaint does not require a response; to the extent a response is required, the Coop Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth therein and respectfully refer all questions of law to the court.

170. The Coop Defendants deny the allegations set forth in paragraph 170 of the Complaint except deny knowledge or information sufficient to form a belief as to the truth of the allegations regarding Plaintiffs' beliefs.

171. The Coop Defendants deny the allegations set forth in paragraph 171 of the Complaint.

172. The Coop Defendants deny the allegations set forth in paragraph 172 of the Complaint.

173. The Coop Defendants deny the allegations set forth in paragraph 173 of the Complaint.

174. The Coop Defendants deny the allegations set forth in paragraph 174 of the Complaint.

AS AND FOR A FIRST AFFIRMATIVE DEFENSE

175. Plaintiff fail to state a cause of action against the Coop Defendants upon which relief can be granted.

AS AND FOR A SECOND AFFIRMATIVE DEFENSE

176. Plaintiff's second cause of action for breach of an implied duty and covenant of good faith and fair dealing should be dismissed, as it is duplicative of their first cause of action.

AS AND FOR A THIRD AFFIRMATIVE DEFENSE

177. Plaintiff's third, fourth and fifth causes of action for alleged unlawful discrimination should be dismissed as Plaintiffs were never refused a lease.

AS AND FOR A FOURTH AFFIRMATIVE DEFENSE

178. Plaintiff's third, fourth and fifth causes of action for alleged unlawful discrimination should be dismissed, as Plaintiffs' race or national origin was not a considering factor in the lease qualification process.

AS AND FOR A FIFTH AFFIRMATIVE DEFENSE

179. Plaintiff's sixth cause of action for negligence should be dismissed, as it is duplicative of their first cause of action.

AS AND FOR A SIXTH AFFIRMATIVE DEFENSE

180. Plaintiff's sixth cause of action for negligence should be dismissed as against Defendants Ullman and Wiener, as they owed no such duty to Plaintiffs.

AS AND FOR A SEVENTH AFFIRMATIVE DEFENSE

181. Plaintiff's seventh cause of action should be dismissed, as, upon information and

belief, there is no evidence to support any claim of conversion against the Coop Defendants.

AS AND FOR AN EIGHTH AFFIRMATIVE DEFENSE

182. Plaintiff's eighth cause of action for breach of the warranty of habitability should be dismissed, as Plaintiffs do not meet the residency requirements to bring such a claim.

AS AND FOR A NINTH AFFIRMATIVE DEFENSE

183. Plaintiff's eighth cause of action for breach of the warranty of habitability should be dismissed as against Defendants Ullman and Weiner, as they are not party to any agreement from which any warranty to Plaintiff would arise.

AS AND FOR A TENTH AFFIRMATIVE DEFENSE

184. Plaintiff's eighth cause of action for breach of the warranty of habitability should be dismissed, as the harms alleged by Plaintiff are not sufficient to support such a claim.

AS AND FOR AN ELEVENTH AFFIRMATIVE DEFENSE

185. Plaintiff has failed to join necessary parties.

AS AND FOR A TWELFTH AFFIRMATIVE DEFENSE

186. Plaintiff's claims should be dismissed, as any alleged damages incurred by Plaintiff were the direct result of Plaintiff's own conduct.

AS AND FOR A THIRTEENTH AFFIRMATIVE DEFENSE

187. Plaintiff has failed to take reasonable steps to reduce or minimize the damages allegedly experienced.

AS AND FOR A FOURTEENTH AFFIRMATIVE DEFENSE

188. Any damages suffered by Plaintiff were not proximately caused by the Coop Defendants.

AS AND FOR A FIFTEENTH AFFIRMATIVE DEFENSE

189. The Complaint is barred by the doctrine of unclean hands.

AS AND FOR A SIXTEENTH AFFIRMATIVE DEFENSE

190. Plaintiff's claims are barred by the statute of limitations.

Dated: New York, New York
April 7, 2017

ROBERT I. CANTOR, PLLC
Attorneys for the Coop Defendants

By: ____________________

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Index No. 16-CIV-06246 Year 20

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

GENEVER HOLDINGS, LLC AND MILES KWOK,

Plaintiffs,

-against-

THE SHERRY NETHERLAND, INC. MICHAEL J. ULLMAN, ROBERT WIENER, GUSTAV RESTORATION LLC, XYZ CORPORATIONS 1-10, AND JOHN AND JANE DOES 1-10,

Defendants.

ANSWER

ROBERT I. CANTOR, PLLC

Attorney(s) for SHERRY NETHERLAND, INC. MICHAEL J. ULLMAN, ROBERT WIENER

Office and Post Office Address, Telephone

485 MADISON AVENUE, 7TH FLOOR
NEW YORK, NEW YORK 10022
(212) 768-4343

To

Signature (Rule 130-1.1-a)

Attorney(s) for

Print name beneath

Service of a copy of the within is hereby admitted.

Dated,

Attorney(s) for ....

Sir: Please take notice

☐ *NOTICE OF ENTRY*

that the within is a (certified) true copy of a
duly entered in the office of the clerk of the within named court on 20

☐ *NOTICE OF SETTLEMENT*

that an order of which the within is a true copy will be presented for
settlement to the HON. one of the judges
of the within named Court, at
on the day of 20 at M.

Dated,

Yours, etc.

ROBERT I. CANTOR, PLLC

Attorney(s) for